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June 11, 2008

BY EMAIL

Laine A. Armstrong, Esq. Nesenoff & Miltenberg, LLP 363 Seventh Avenue, Fifth Floor New York, NY 10001

Re: Atateks Foreign Trade Ltd. v. Private Label Sourcing, LLC (07 Civ. 6665)

Dear Laine:

As you know, during Christine Dente's deposition, certain questions arose that required either the production or consultation of documents. I am writing to follow up on those questions:

Accordingly, kindly provide the following documents:

- 1. All documents concerning "New Store Discount" chargebacks prior to November 2006 issued to Atateks or against goods manufactured by Atateks. (Deposition of Christine Ann Dente at 81)
- 2. Documents sufficient to demonstrate that it was communicated to Atateks when a "New Store Discount" would be imposed on it for goods sold to new stores. (*Id.* at 84)
- 3. Documents showing that Atateks was advised in advance that the goods giving rise to the new store discounts in the documents bearing the following bates numbers were being order for a new stores: Defendants' 119, 124, 128, 815, 820, 840, 857. (*Id.* at 84)
- 4. Documents sufficient to show that prior to 2007, Private Label charged through to Atateks chargebacks from Target for in-store defective returns or "guest" returns. (*Id.* at 103)
 - 5. All Target commitment sheets showing DPCI numbers. (*Id.* at 104)
- 6. Documents sufficient to show the calculation of the figure for the accounts payable of \$3,243,381 listed in Private Label's 2006 tax return, including documents showing the amount owed to each vendor, including Atateks, reflected in this number. (*Id.* at 118)
- 7. An accounting according to Private Label setting forth the amount it owes Atateks, including backup documentation to support that total. (*Id.* at 131)

Laine A. Armstrong, Esq

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During the course of her deposition, Ms. Dente indicated that she would need to check her records to answer certain questions. Kindly asked Ms. Dent to provide answers to those questions, which are listed below:

- a) What are the year-to-date sales for Private Label? (*Id.* at 10)
- b) Who are the top five manufacturers for Private Label? (*Id.* at 13)
- c) What were Second Skin's profits in 2005, 2006, and 2007? (*Id.* at 28)
- d) How much in commissions has Second Skin received from Synko and from Orma? (*Id.* at 45)
- e) Did Private Label have arrangements with any manufacturer who used the same style numbers as Atateks? (*Id.* at 57)
 - f) When did Nilda Corchado begin working for Second Skin? (*Id.* at 62)
- g) What Turkish factories were involved in the delays that caused Private Label to become unprofitable in 2005 and 2006? (*Id.* at 119)

Finally, in Request number 3 of Plaintiffs' Second Set of Document Requests, we asked for "[a]ll documents concerning transfers of funds between the Defendants." It is clear now clear that the "commissions" that Second Skin charged to Orma and Synko were in fact simply means of transferring funds from Private Label to Second Skin. Accordingly, please provide all documents concerning the commissions paid to Second Skin by Orma and Synko.

Given the schedule of this litigation, I request that you advise me by June 18 whether you will provide the documents and information requested above and, if so, when you will do so. In addition, kindly provide a response by this date to my letter of May 28.

Yours very truly,

Eric Grannis